

Fee-For-Service Benefits

Division of Health Care Financing
Medicaid Services to Low Income Families - March 3, 2005

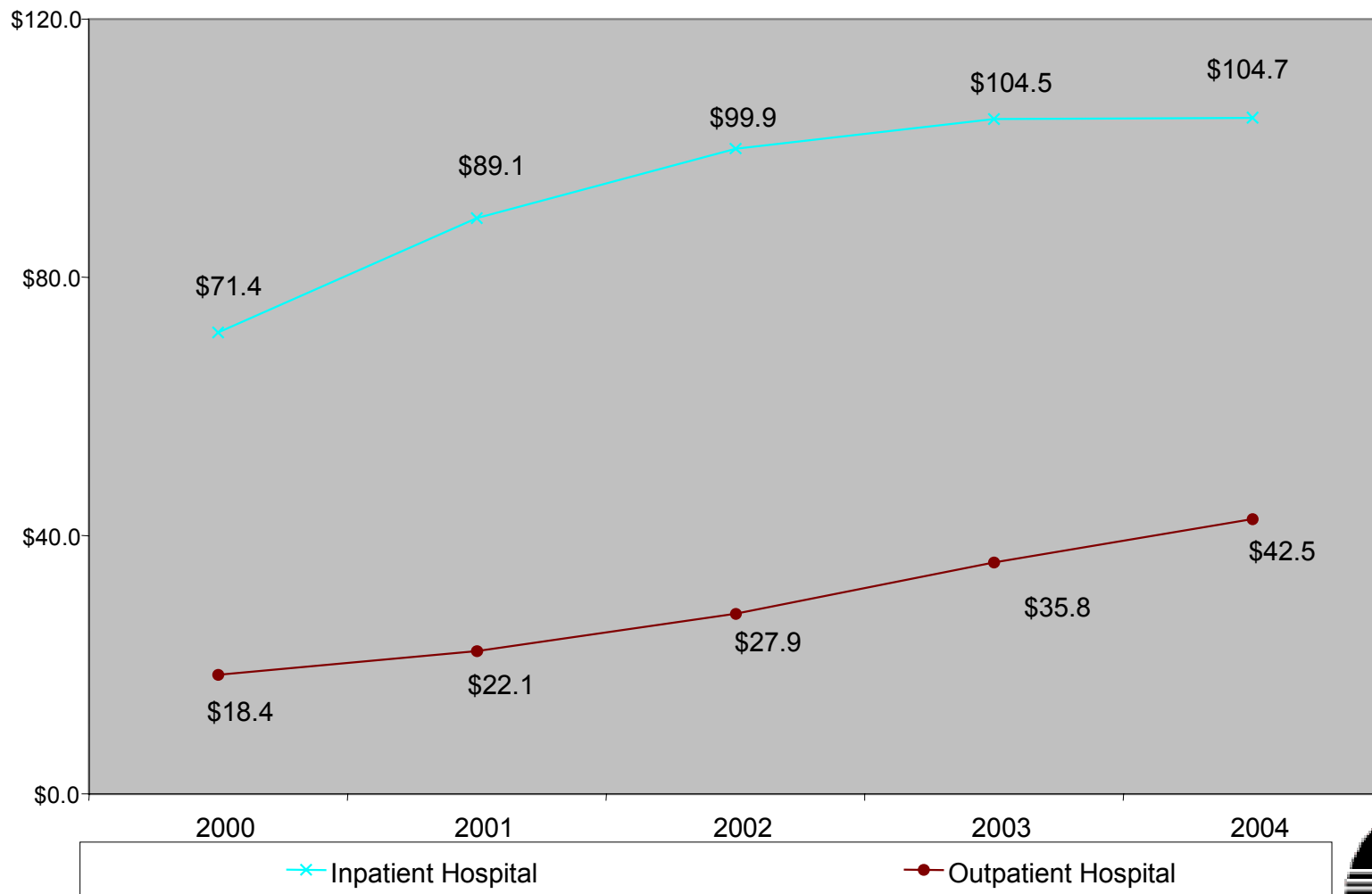


Hospital Services

- The majority of hospital care provided to low-income family eligibles is covered by HMOs.
- Inpatient hospital expenditures include:
 - Maternity stays, even when the mother is discharged on the date of admission,
 - Institutions for Mental Disease (IMDs)
 - Rehabilitation hospitals
- Outpatient hospital expenditures include:
 - Emergency room services unless the recipient is admitted to the hospital and counted in the midnight census.
 - Outpatient care provided within an approved hospital facility



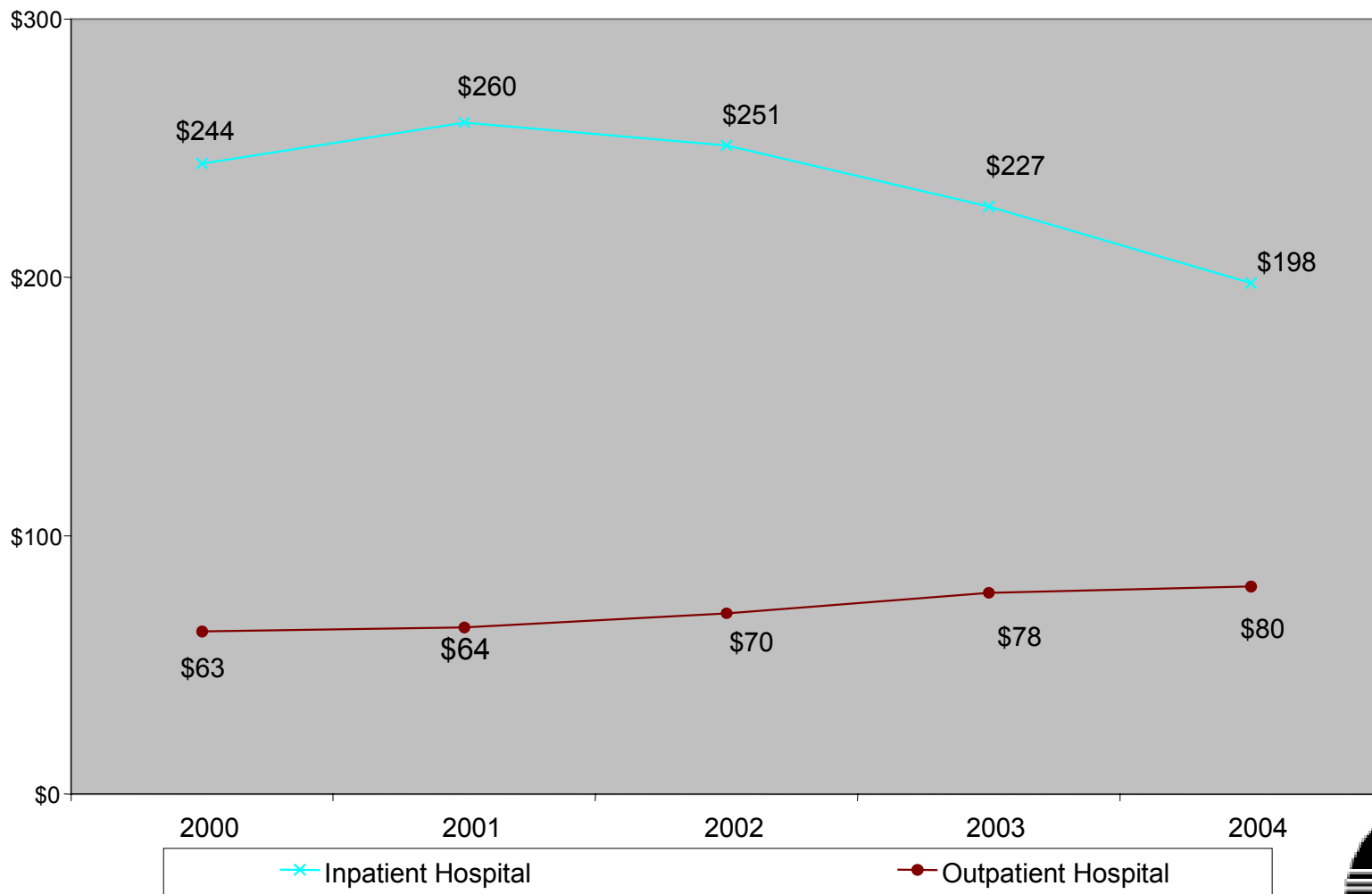
Annual FFS Hospital Expenditures for Low-Income Families SFY 2000 - 2004 (in millions)



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Annual FFS Hospital Expenditures per Low-Income Family Eligible SFY 2000 - 2004



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Emergency Room Utilization

- In SFY 2004, there were 115 Medicaid recipients who received emergency room care 35 or more times.
- Of those, 97 (85%) were people with disabilities, 17 (15%) were low-income family recipients and 1 (less than 1%) was aged.

35+ Emergency Room Encounters in SFY 2004

<u>Number of Visits</u>	<u>Low-Income Families</u>	<u>People w/Disabilities</u>
35 to 50	11	62
51 to 80	6	20
81 to 135	0	14
136+	0	1

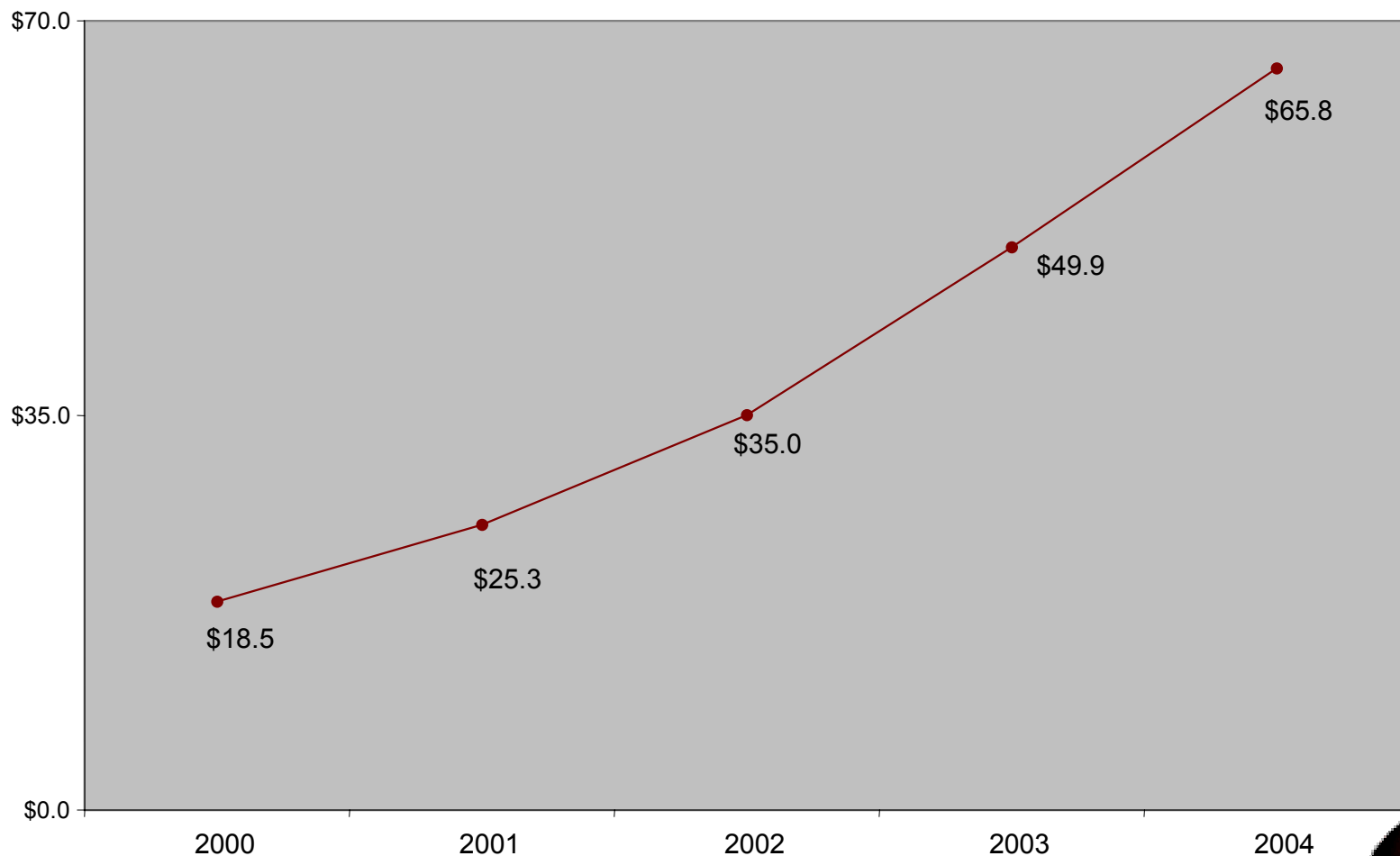


Drug Expenditures

- Most drug expenditures for the low-income family population are covered by HMOs and paid as part of the capitation rate.
- Projected drug rebates are deducted from the capitation payment rates.
- HMOs are allowed to use their own preferred drug lists but they must cover comparable drugs to FFS.



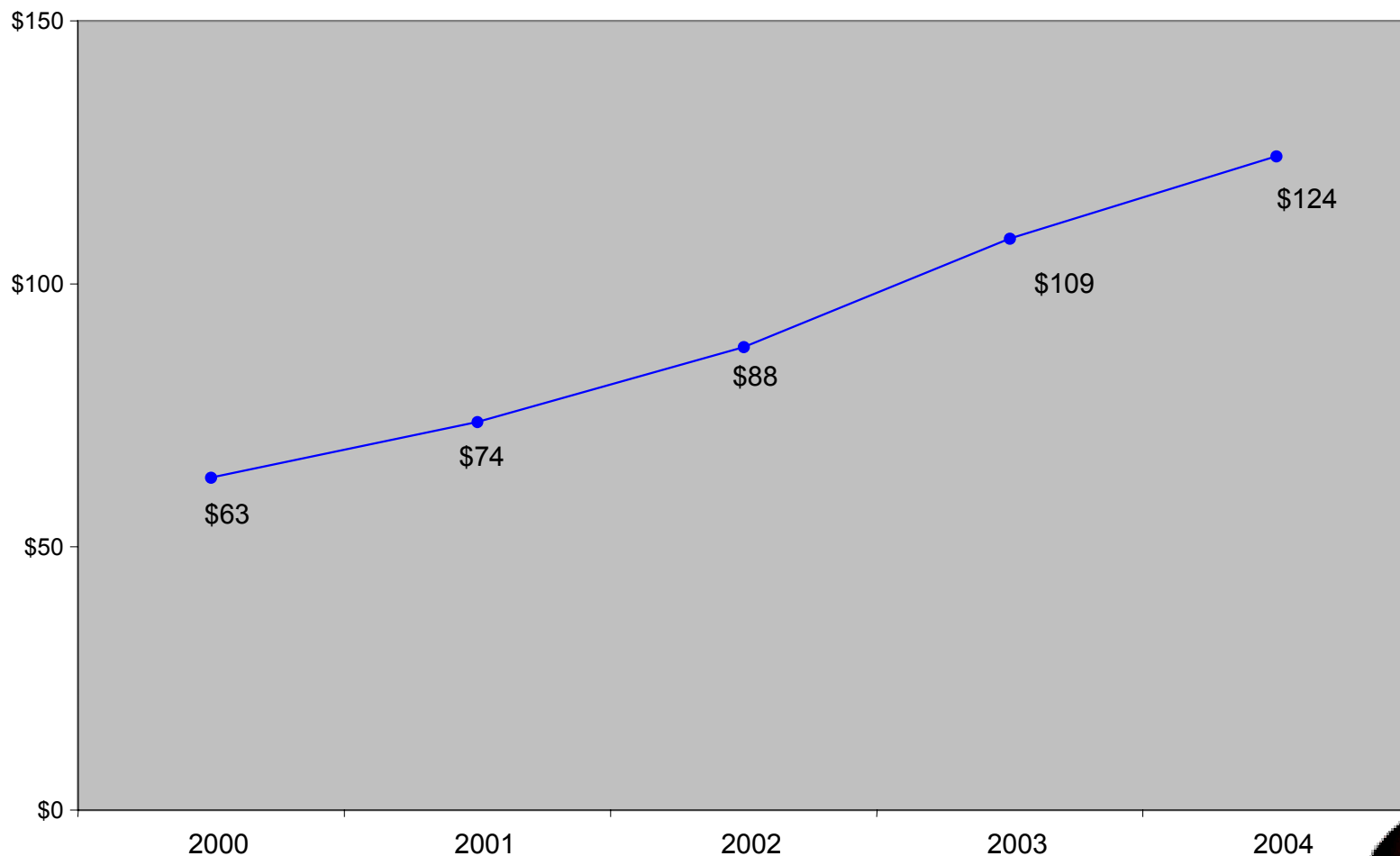
Annual FFS Drug Expenditures for Low-Income Families SFY 2000 - 2004 (in millions)



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Annual FFS Drug Expenditures per Low-Income Family Eligible SFY 2000 - 2004



School-Based Services

- School-based services are Medicaid-covered services provided to Medicaid-eligible students by schools.
- The services include:
 - Speech, language, hearing and audiological services
 - Occupational and physical therapy
 - Nursing, Psychological counseling and social work
 - Developmental testing and assessments
 - Transportation provided on the same day as other Medicaid-covered services
 - Durable medical equipment
- In order to be covered, services must be identified in a recipient's individualized education program (IEP).
- Schools provide the non-federal funding for these services.



Dental Services

- Medicaid covers basic dental services although limitations apply to the frequency and type of services covered.
- HMOs in Milwaukee, Kenosha, Waukesha and Racine counties include dental care as part of their services.
- Prior authorization is required to determine the medical necessity of services including adult root canals, dentures, orthodontia, and TMJ surgery.

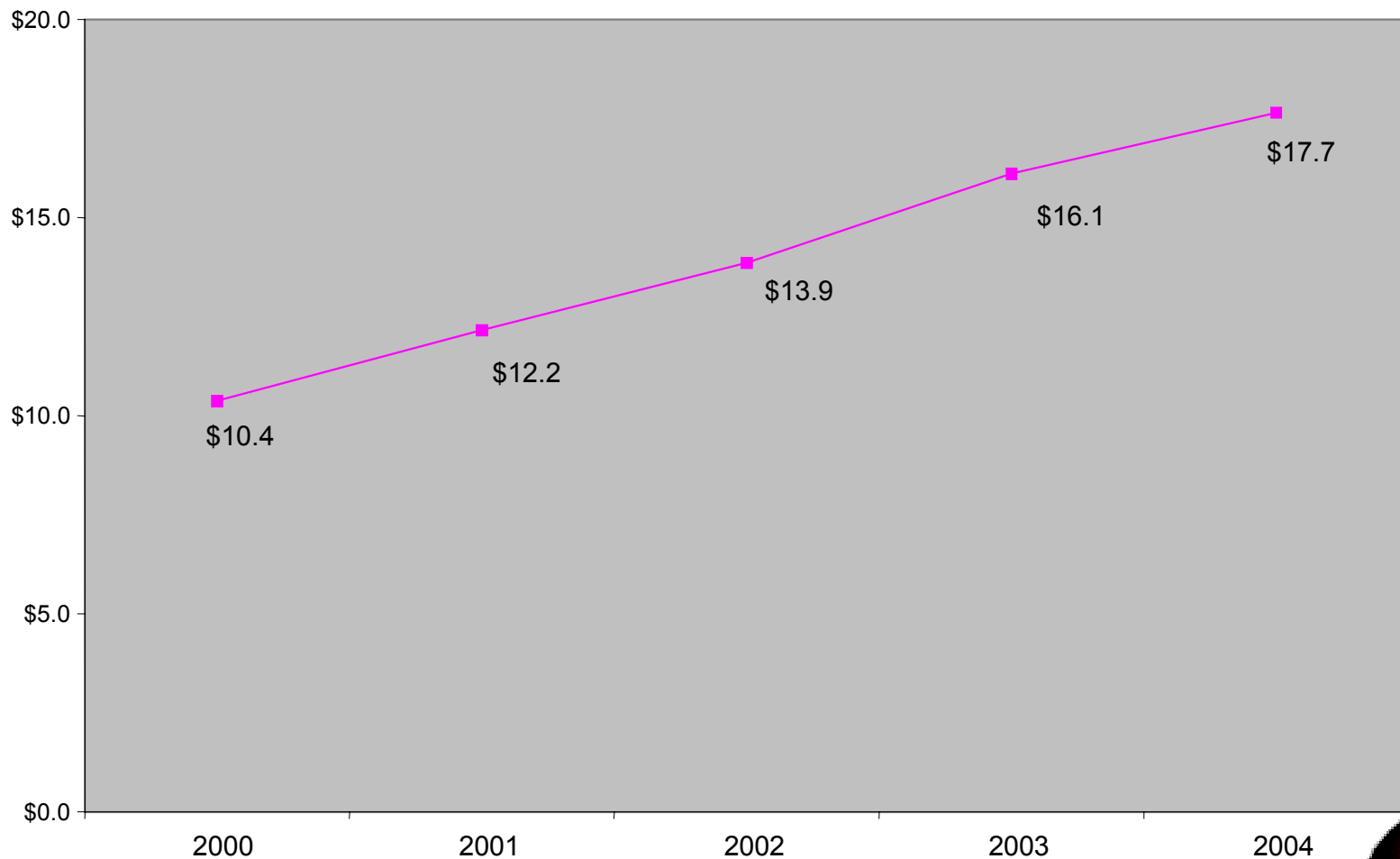


Dental Services

- Many recipients find it difficult to access dental care. In SFY 2004:
 - 23% of fee-for service recipients received a dental service
 - 57% of Wisconsin dentists were Medicaid-certified
 - 40% of Wisconsin dentists submitted a Medicaid fee-for-service claim
- Many dentists submitting claims are not accepting new Medicaid patients.
- Dentists cite low reimbursement, administrative burden and no-show rates as reasons for not participating.
- Dentists submitting fee-for-service claims were paid an average 45.9% of their billed charges in SFY 04.



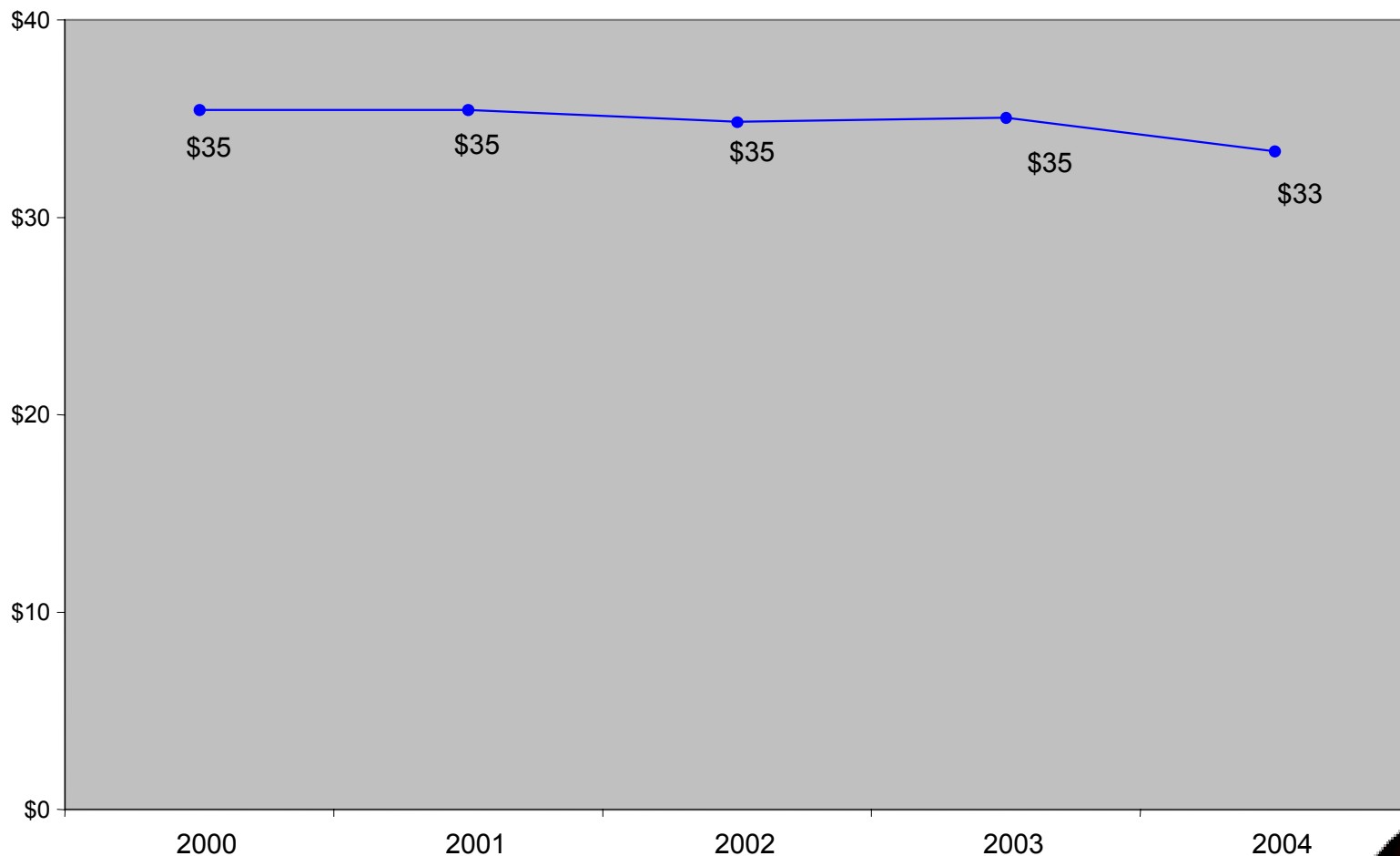
Annual FFS Dental Expenditures for Low-Income Families SFY 2000 - 2004 (in millions)



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Annual FFS Dental Expenditures per Low-Income Family Eligible SFY 2000 - 2004



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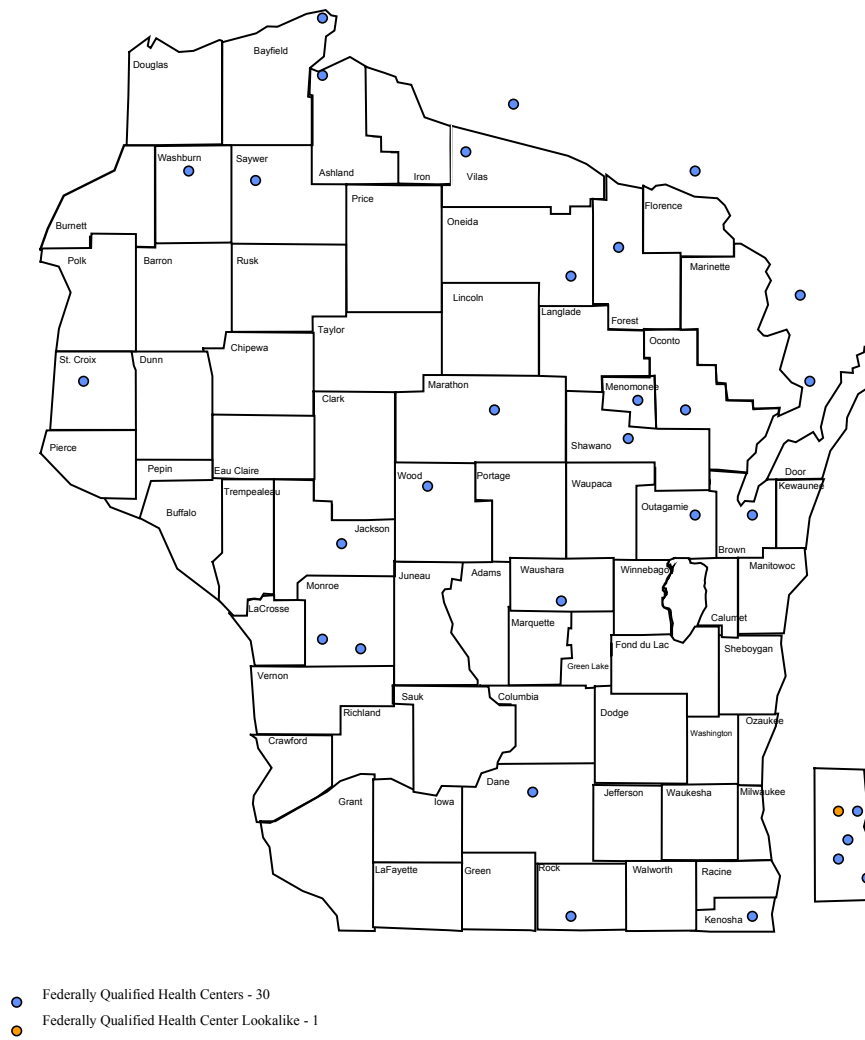


Federally Qualified Health Centers

- Federally qualified health centers (FQHCs) are community and tribal health clinics that provide comprehensive primary and preventive health services to medically underserved populations.
- FQHCs are paid 100% of their allowable costs.
- There are currently 31 FQHCs in Wisconsin, including 10 tribal clinics.
- Expenditures for Medicaid services provided to Medicaid-eligible American Indians at tribal facilities are eligible for 100% federal reimbursement.
- Many, if not all, FQHCs have contracts with HMOs to provide services to Medicaid recipients enrolled in managed care.



Wisconsin Safety Net Providers



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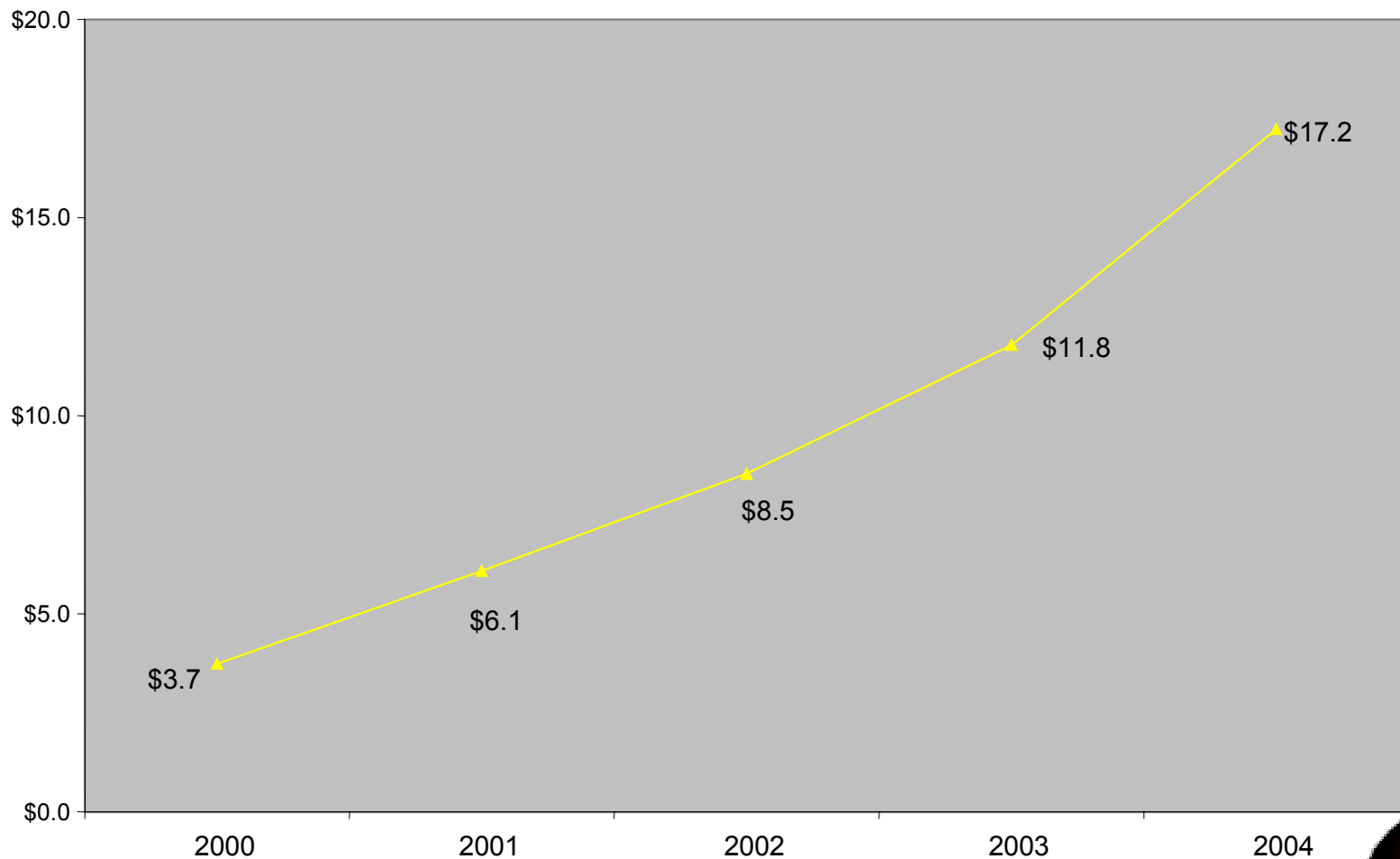


Federally Qualified Health Centers

- FQHCs provide comprehensive health services including:
 - Primary health care including ob/gyn services
 - Health education
 - Alcohol and other drug abuse (AODA) services
 - Mental health services
 - Dental care (at some facilities)
- There is substantial growth in the provision of dental care at FQHCs, increasing by 83% (\$1 million in expenditures) over the last year.
- In 2003, 42% of FQHC patients were uninsured and 37% were covered by Medicaid. 66% of FQHC patients had income under the federal poverty level.



Annual FQHC Expenditures for Low-Income Families SFY 2000 - 2004 (in millions)



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